



August 4, 2011

Contents

Article/
Calendar

Grain
Transportation
Indicators

Rail

Barge

Truck

Exports

Ocean

Brazil

Mexico

Quarterly
Updates

Specialists

Raw data

Subscription
Information

The next
release is
August 11, 2011

WEEKLY HIGHLIGHTS

AMS Comments on FMCSA Farm Truck Safety Regulations

On August 1, [Agricultural Marketing Service \(AMS\) provided comments](#) on Federal Motor Carrier Administration (FMCSA) *Regulatory Guidance: Applicability of the Federal Motor Carrier Safety Regulations to Operators of Certain Farm Vehicles and Off-Road Agricultural Equipment*. USDA recommends that FMCSA and State interpretations be revised to continue to allow the 150 mile commercial driver's license (CDL) farm exemption from certain interstate commerce, CDL, and commercial motor vehicle rules for operators of farm vehicles. This exemption covers farmers, their employees, or family members when they are transporting agricultural products, farm machinery, farm supplies, or both to or from a farm, within 150 miles of the farmer's farm, including adjoining States with reciprocity agreements, provided the farm vehicles are not used in the operations of a common or contract motor carrier. The exemption should remain available to farm vehicle drivers involved in crop share agreements. USDA does not believe farm machinery should ever be considered commercial motor vehicles, and that FMCSA should encourage States not to classify them as such.

Moderate Rise In Water Levels Triggers Navigation Restrictions

Beginning in April, barges on the Mississippi River have been limited to daylight transit at St. Louis, MO, because of high water. When St. Louis water levels exceed 25 feet, mandatory Coast Guard restrictions are implemented that limit navigation to daylight hours and may require barge operators to utilize larger towboats. While these restrictions were briefly lifted in late July, additional flows from the Illinois and Missouri rivers increased St. Louis water levels past the 25-foot threshold on July 28. Water levels are expected to crest by August 4, then slowly decline. Barge shipments have not been adversely impacted by the current situation; barge rates have been steadily declining over the past 4 weeks.

Total Grain Inspections Down but Soybeans Increase

For the week ending July 28, [total inspections of grain](#) (corn, wheat, and soybeans) for export from all major U.S. export regions reached 1.33 million metric tons (mmt), down 15 percent from the previous week and 18 percent below last year at this time. Corn (.762 mmt) and wheat (.437 mmt) inspections both fell from the previous week. Soybean inspections, however, increased 8 percent from the previous week as shipments to China rebounded. Inspections of soybeans were also 16 percent above the 4-week running average. Grain inspections in the Mississippi Gulf and Pacific Northwest were down 30 and 6 percent from the past week, but Texas Gulf inspections increased 46 percent. Unshipped balances for export sales of wheat and soybeans continue to be higher than last year at this time.

Texas Heat and Drought Impede Rail Service

Union Pacific Railroad (UP) reports that severe heat and drought conditions across central Texas have compromised its track structure. The extreme drought has caused the soil to develop large cracks that are swallowing the ballast rock along its tracks. The resulting instability of the track has caused a 50 percent increase in the number of track miles on which speed is restricted. These speed restrictions reduce the capacity of the affected lines, putting a strain on equipment and crew availability. Although UP has deployed equipment and personnel to the area, improved conditions will ultimately depend on the weather. If the region gets a moderate amount of rainfall over the next few weeks, these conditions could improve by late August. If the severe drought continues, significant improvements probably won't occur until September.

Snapshots by Sector

Rail

U.S. railroads originated 20,939 [carloads of grain](#) during the week ending July 23, up 8 percent from last week, up 0.2 percent from last year, and 4 percent lower than the 3-year average.

During the week ending July 28, average August [non-shuttle secondary railcar bids/offers](#) were \$19.50 above tariff, down \$6.50 from last week. Average shuttle rates were \$696 below tariff, down \$121 from last week.

Barge

During the week ending July 30, [barge grain movements](#) totaled 786,890 tons, 17 percent higher than the previous week but 4 percent lower than the same period last year.

During the week ending July 30, 506 grain barges [moved down river](#), up 14.7 percent from last week, and 386 grain barges were [unloaded in New Orleans](#), down 14 percent from the previous week.

Ocean

During the week ending July 28, 30 [ocean-going grain vessels](#) were loaded in the Gulf, down 12 percent from last year. Forty-nine vessels are expected to be loaded within the next 10 days, 20 percent less than the same period last year.

During the week ending July 29, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$52 per metric ton (mt), down 2 percent from the previous week. The cost of shipping from the Pacific Northwest to Japan was \$27.50 per mt—2 percent less than the previous week.

Fuel

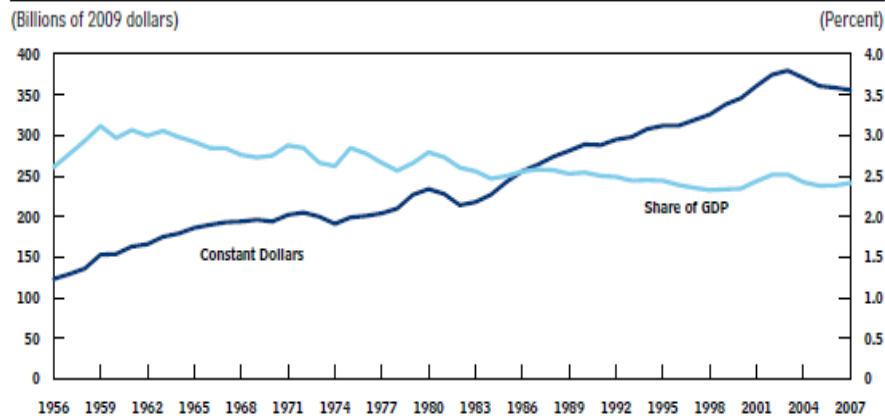
During the week ending August 1, U.S. average [diesel fuel prices](#) decreased 1 cent to \$3.94 per gallon—0.3 percent lower than the previous week but 34 percent higher than the same week last year.

Feature Article/Calendar

U.S. Agriculture Depends on Long-term Funding of Transportation Infrastructure

Between 2003 and 2007, public spending (Federal and State) on transportation and water infrastructure in the United States declined by \$23 billion, or 6 percent, according to a study published by the Congressional Budget Office (CBO) in November 2010.¹ As the CBO chart below illustrates, by 2007, total public spending for this category reached 2.4 percent of the nation's Gross Domestic Product (GDP). This is a relatively low level of investment in transportation infrastructure compared to Europe, which invests 5 percent of its GDP and China, which invests 9 percent of its GDP in transportation infrastructure.² CBO estimates that stimulus spending under the American Recovery and Reinvestment Act (ARRA) provided about \$4 billion for transportation and water infrastructure in 2009 and is expected to lead to an additional \$49 billion in spending from 2010 through 2013.³ CBO also indicates that additional spending under ARRA may reduce the funding under the regular legislative appropriations process because of the current fiscal environment of government budgets.

Total Public Spending for Transportation and Water Infrastructure in Constant Dollars and as a Share of GDP, 1956 to 2007



Source: Congressional Budget Office.

Notes: Total public spending is the sum of expenditures by the federal government and by state and local governments.

For the purposes of this analysis, the phrase "transportation and water infrastructure" encompasses the facilities and systems that support transportation, provide water resources, supply drinking water, and treat wastewater.

Spending expressed in constant dollars has been adjusted to reflect the effects of inflation between the year the spending occurred and a base year, which in this study is 2009.

GDP = gross domestic product.

The ARRA funds that could be most helpful to U.S. grain transportation include a relatively small number of projects on the Mississippi River System. The U.S. Army Corps of Engineers (Corps), which is responsible for maintaining the lock and dam system, dredging activities, environmental sustainability, flood control, and channel improvements, received \$4.6 billion ARRA funds.⁴ The stimulus funds of approximately \$196 million are going to six projects for the inland waterways used by grain shipping.⁵ The remaining 1,185 Corps projects are allocated to parts of the inland waterways not as widely used by agricultural transportation.

U.S. agriculture depends on an effective and efficient transportation system to be competitive. Therefore, agricultural stakeholders, including the National Grain and Feed Association and U.S. Wheat Associates, believe that continued investment in transportation infrastructure that supports the export of farm products is vitally important. USDA projects the agricultural trade surplus to reach \$44 billion in fiscal year 2011.⁶ USDA long-term projections include growth in exports of U.S. agricultural products, particularly soybeans and corn—commodities that use highways, rail, and inland waterways to reach the ports for export.⁷ Marina.Denicoff@ams.usda.gov

¹ The CBO category of transportation and water infrastructure includes highways, mass transit, rail, waterways, and aviation; water resources (such as dams and levees); and water distribution and wastewater treatment. CBO study: <http://www.cbo.gov/doc.cfm?index=11940>

² The Economist, April 28, 2011, "America's Transport Infrastructure, Life in the Slow Lane."

³ CBO Study, page 3. <http://www.cbo.gov/doc.cfm?index=11940>

⁴ www.recovery.gov

⁵ Capitol Currents, May 18, 2009. <http://www.waterwayscouncil.org/CapCurrents/2009/Capitol%20Currents%20051809.pdf>

⁶ USDA, FAS, Quarterly Trade Projections. <http://www.fas.usda.gov/cmp/outlook/2011/May-11/outlook-0511.asp>

⁷ USDA Projections to 2020. http://www.usda.gov/oce/commodity/archive_projections/USDAgriculturalProjections2020.pdf

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Raw Data

Week ending	Truck	Rail ²	Barge	Gulf	Ocean Pacific
08/03/11	264	115	201	233	195
07/27/11	265	121	217	228	191

¹Indicator: Base year 2000 = 100; Weekly updates include truck = diesel (\$/gallon); rail = nearby secondary rail market (\$/car); barge = Illinois River barge rate (index = percent of tariff rate); and ocean = routes to Japan (\$/metric ton)

²The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.
Source: Transportation & Marketing Programs/AMS/USDA

Table 2

Market Update: U.S. Origins to Export Position Price Spreads (\$/bushel)

Commodity	Origin--Destination	7/29/2011	7/22/2011
Corn	IL--Gulf	-0.51	-0.50
Corn	NE--Gulf	-0.54	-0.62
Soybean	IA--Gulf	-1.18	-1.13
HRW	KS--Gulf	-1.10	-1.10
HRS	ND--Portland	-3.20	-3.16

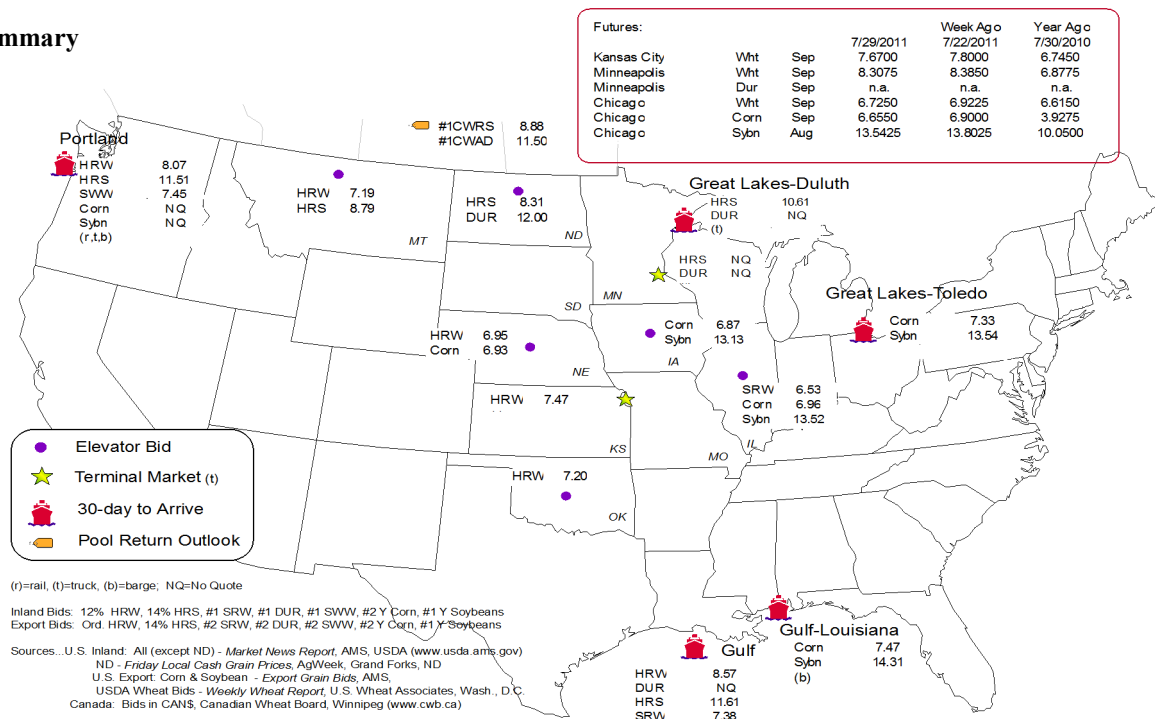
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1

Grain bid Summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)¹

Week ending	Mississippi		Cross-Border	Pacific	Atlantic &	Total
	Gulf	Texas Gulf	Mexico	Northwest	East Gulf	
7/27/2011 ^p	111	573	906	3,561	255	5,406
7/20/2011 ^r	3	520	1,381	3,653	177	5,734
2011 YTD	21,520	58,374	28,025	113,786	16,092	237,797
2010YTD	9,113	39,737	27,651	100,074	17,937	194,512
2011 YTD as % of 2010 YTD	236	147	101	114	90	122
Last 4 weeks as % of 2010 ²	63	61	134	90	166	90
Last 4 weeks as % of 4-year avg. ²	22	49	174	90	79	82
Total 2010	33,971	83,492	42,794	177,896	32,780	370,933
Total 2009	33,423	57,646	36,738	175,965	30,328	334,100

¹ Data is incomplete as it is voluntarily provided

² Compared with same 4-weeks in 2010 and prior 4-year average.

YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

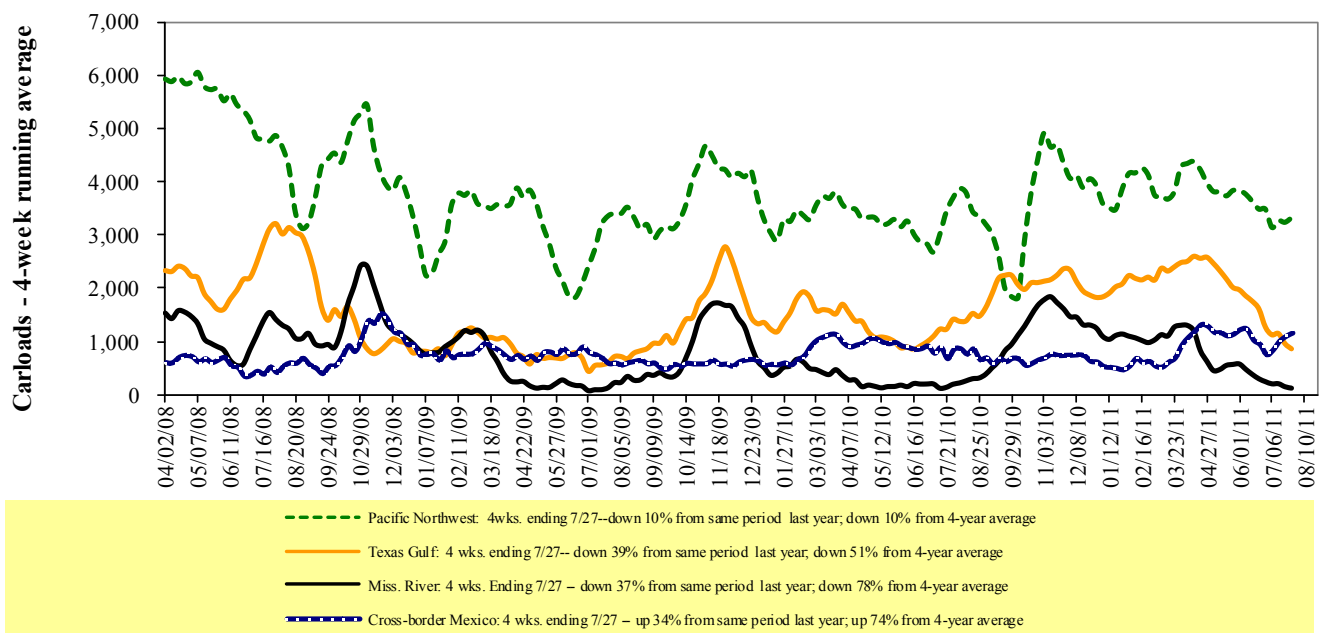
Source: Transportation & Marketing Programs/AMS/USDA

Raw Data

Railroads originate approximately 35 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail Deliveries to Port



Source: Transportation & Marketing Programs/AMS/USDA

Table 4

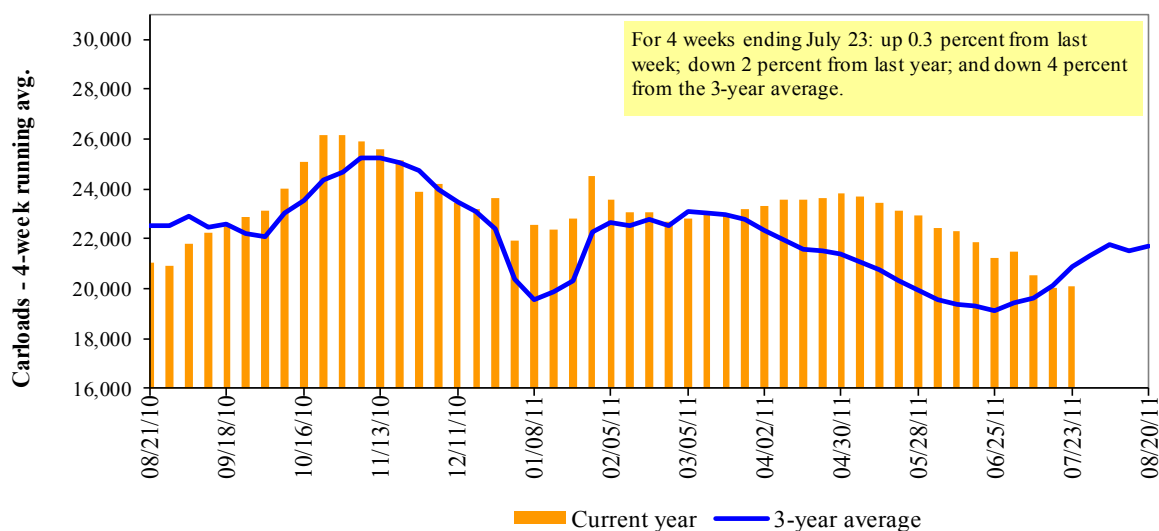
Raw Data

Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
07/23/11	1,701	2,621	10,592	759	5,266	20,939	3,276	6,325
This week last year	1,879	2,724	10,030	406	5,851	20,890	3,869	5,174
2011 YTD	57,303	88,628	316,547	19,715	174,959	657,152	113,563	143,212
2010 YTD	59,627	82,525	269,572	20,160	141,919	573,803	105,985	140,024
2011 YTD as % of 2010 YTD	96	107	117	98	123	115	107	102
Last 4 weeks as % of 2010 ¹	86	97	97	127	103	98	95	113
Last 4 weeks as % of 3-yr avg. ¹	80	98	95	122	96	95	99	107
Total 2010	111,935	159,836	546,901	35,807	295,361	1,149,840	203,038	265,835

¹ As a percent of the same period in 2009 and the prior 3-year average. YTD = year-to-date.

Source: Association of American Railroads (www.aar.org)

Figure 3**Total Weekly U.S. Class I Railroad Grain Car Loadings**

Source: Association of American Railroads

Table 5

Rail Car Auction Offerings¹ (\$/car)²

Week ending	Delivery period							
	Aug-11	Aug-10	Sep-11	Sep-10	Oct-11	Oct-10	Nov-11	Nov-10
BNSF ³								
COT grain units	12	no offer	78	no offer	139	no offer	15	no offer
COT grain single-car ⁵	0 . . 37	no offer	36 . . 51	no offer	0 . . 81	200	0 . . 16	0 . . 200
UP ⁴								
GCAS/Region 1	no bids	no bids	no bids	no bids	1	1	n/a	n/a
GCAS/Region 2	no bids	no bids	no bids	1	106	no offer	n/a	n/a

¹ Auction offerings are for single-car and unit train shipments only.² Average premium/discount to tariff, last auction³ BNSF - COT = Certificate of Transportation; north grain and south grain bids were combined effective the week ending 6/24/06.⁴ UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

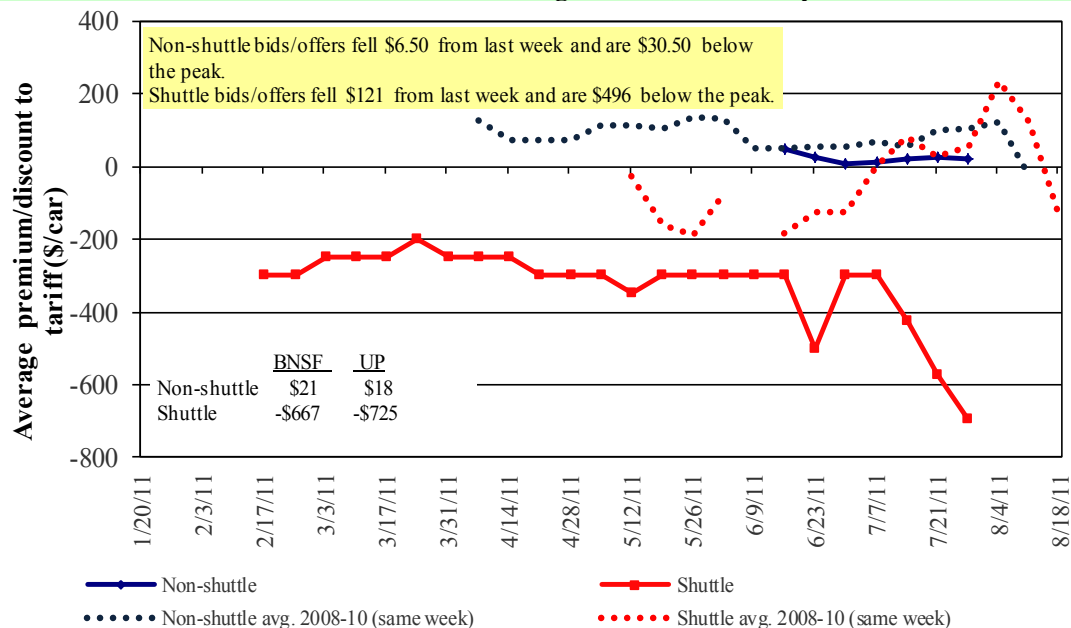
⁵ Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4

Bids/Offers for Railcars to be Delivered in August 2011, Secondary Market

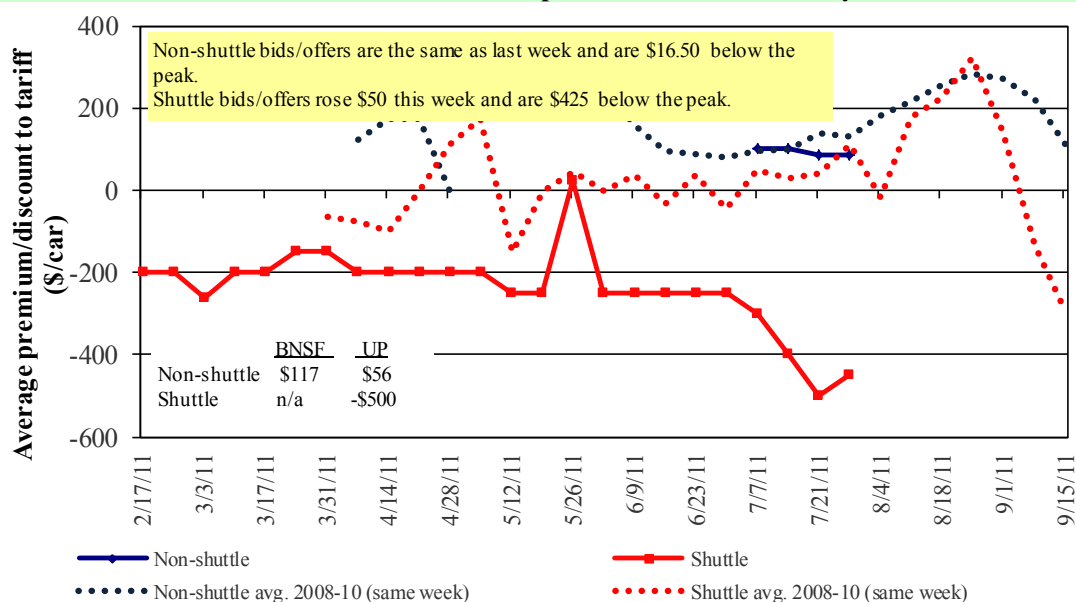


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in September 2011, Secondary Market

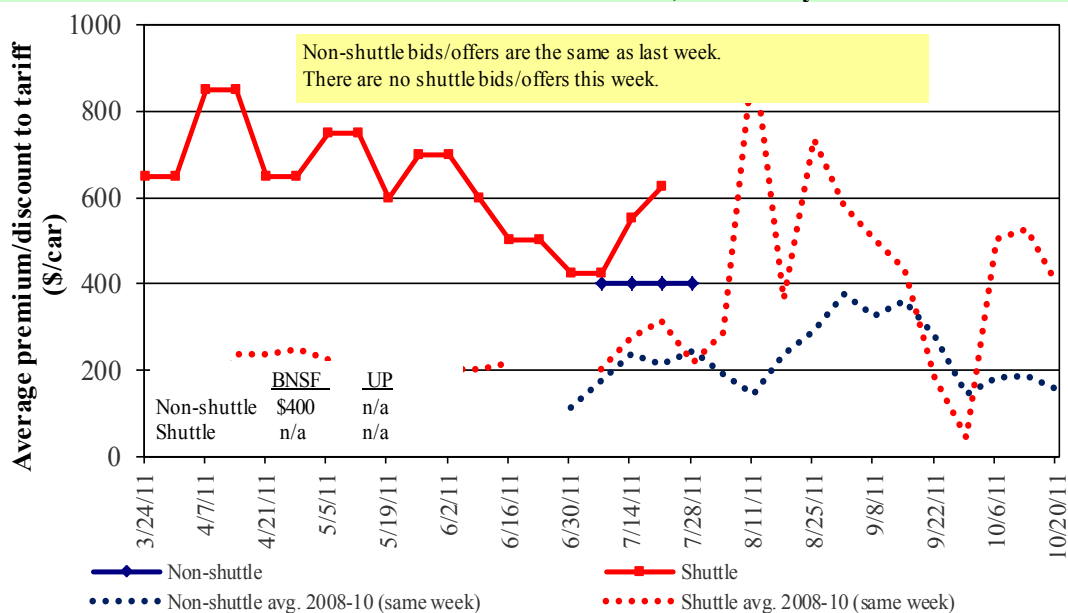


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in October 2011, Secondary Market



Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Rail Car Market (\$/car)¹

Week ending	Delivery period					
	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12
Non-shuttle						
BNSF-GF	21	117	400	300	200	n/a
Change from last week	(17)	-	-	-	-	n/a
Change from same week 2010	(331)	(233)	25	n/a	n/a	n/a
UP-Pool	18	56	n/a	n/a	n/a	n/a
Change from last week	4	-	n/a	n/a	n/a	n/a
Change from same week 2010	(57)	(57)	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(667)	(200)	n/a	n/a	n/a	n/a
Change from last week	(67)	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	(1,184)	(533)	n/a	n/a	n/a	n/a
UP-Pool	(725)	(700)	n/a	n/a	-	n/a
Change from last week	(175)	(200)	n/a	n/a	-	n/a
Change from same week 2010	(675)	n/a	n/a	n/a	n/a	n/a

¹ Average premium/discount to tariff, \$/car-last week

² Shuttle bids are a new data series; prior to this we provided only non-shuttle rates.

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,

n/a = not available; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments¹

Effective date:							Percent
8/1/2011	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		change
					metric ton	bushel ²	Y/Y ³
<u>Unit train</u>							
Wheat	Wichita, KS	St. Louis, MO	\$2,992	\$187	\$31.57	\$0.86	11
	Grand Forks, ND	Duluth-Superior, MN	\$2,822	\$107	\$29.09	\$0.79	9
	Wichita, KS	Los Angeles, CA	\$5,710	\$551	\$62.17	\$1.69	10
	Wichita, KS	New Orleans, LA	\$3,492	\$329	\$37.95	\$1.03	12
	Sioux Falls, SD	Galveston-Houston, TX	\$5,410	\$452	\$58.21	\$1.58	6
	Northwest KS	Galveston-Houston, TX	\$3,760	\$361	\$40.92	\$1.11	11
	Amarillo, TX	Los Angeles, CA	\$3,959	\$502	\$44.30	\$1.21	12
Corn	Champaign-Urbana, IL	New Orleans, LA	\$2,812	\$372	\$31.62	\$0.86	8
	Toledo, OH	Raleigh, NC	\$3,760	\$424	\$41.55	\$1.13	14
	Des Moines, IA	Davenport, IA	\$1,843	\$79	\$19.08	\$0.52	-1
	Indianapolis, IN	Atlanta, GA	\$3,196	\$319	\$34.90	\$0.95	12
	Indianapolis, IN	Knoxville, TN	\$2,760	\$204	\$29.44	\$0.80	12
	Des Moines, IA	Little Rock, AR	\$2,938	\$232	\$31.48	\$0.86	7
	Des Moines, IA	Los Angeles, CA	\$4,835	\$675	\$54.71	\$1.49	20
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,289	\$410	\$36.73	\$1.00	11
	Toledo, OH	Huntsville, AL	\$2,921	\$301	\$32.00	\$0.87	11
	Indianapolis, IN	Raleigh, NC	\$3,830	\$427	\$42.28	\$1.15	14
	Indianapolis, IN	Huntsville, AL	\$2,613	\$204	\$27.98	\$0.76	11
	Champaign-Urbana, IL	New Orleans, LA	\$3,156	\$372	\$35.04	\$0.95	10
<u>Shuttle Train</u>							
Wheat	Great Falls, MT	Portland, OR	\$3,239	\$317	\$35.31	\$0.96	10
	Wichita, KS	Galveston-Houston, TX	\$3,144	\$247	\$33.67	\$0.92	7
	Chicago, IL	Albany, NY	\$3,497	\$398	\$38.68	\$1.05	-3
	Grand Forks, ND	Portland, OR	\$4,702	\$547	\$52.13	\$1.42	10
	Grand Forks, ND	Galveston-Houston, TX	\$5,648	\$570	\$61.75	\$1.68	9
	Northwest KS	Portland, OR	\$4,727	\$592	\$52.82	\$1.44	11
Corn	Minneapolis, MN	Portland, OR	\$4,680	\$666	\$53.09	\$1.44	13
	Sioux Falls, SD	Tacoma, WA	\$4,640	\$610	\$52.14	\$1.42	13
	Champaign-Urbana, IL	New Orleans, LA	\$2,677	\$372	\$30.28	\$0.82	7
	Lincoln, NE	Galveston-Houston, TX	\$3,190	\$356	\$35.21	\$0.96	10
	Des Moines, IA	Amarillo, TX	\$3,330	\$291	\$35.96	\$0.98	8
	Minneapolis, MN	Tacoma, WA	\$4,680	\$661	\$53.04	\$1.44	13
Soybeans	Council Bluffs, IA	Stockton, CA	\$4,080	\$684	\$47.31	\$1.29	13
	Sioux Falls, SD	Tacoma, WA	\$4,840	\$610	\$54.12	\$1.47	10
	Minneapolis, MN	Portland, OR	\$4,830	\$666	\$54.58	\$1.49	11
	Fargo, ND	Tacoma, WA	\$4,730	\$543	\$52.36	\$1.43	9
	Council Bluffs, IA	New Orleans, LA	\$3,510	\$429	\$39.12	\$1.06	9
	Toledo, OH	Huntsville, AL	\$2,536	\$301	\$28.18	\$0.77	13
	Grand Island, NE	Portland, OR	\$4,520	\$606	\$50.90	\$1.39	11

¹ A unit train refers to shipments of at least 25 cars. Shuttle train rates are available for qualified shipments of 90-110 cars that meet railroad efficiency requirements.

² Approximate load per car = 111 short tons (100.7 metric tons): corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

³ Percentage change year over year calculated using tariff rate plus fuel surcharge

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

*Regional economic areas defined by the Bureau of Economic Analysis (BEA)

Table 8

Tariff Rail Rates for U.S. Bulk Grain Shipments to Mexico

Effective date: 8/1/2011							
Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel surcharge per car ²	Tariff plus surcharge per:		Percent change Y/Y ⁴
					metric ton ³	bushel ³	
Wheat	MT	Chihuahua, CI	\$7,491	\$579	\$82.46	\$2.24	15
	OK	Cuautitlan, EM	\$6,610	\$606	\$73.73	\$2.00	12
	KS	Guadalajara, JA	\$7,210	\$861	\$82.47	\$2.24	10
	TX	Salinas Victoria, NL	\$3,656	\$246	\$39.88	\$1.08	12
Corn	IA	Guadalajara, JA	\$7,445	\$881	\$85.06	\$2.16	11
	SD	Penjamo, GJ	\$7,245	\$757	\$81.77	\$2.07	8
	NE	Queretaro, QA	\$6,802	\$779	\$77.46	\$1.97	14
	SD	Salinas Victoria, NL	\$5,360	\$576	\$60.65	\$1.54	13
	MO	Tlalnepantla, EM	\$5,959	\$759	\$68.64	\$1.74	15
	SD	Torreon, CU	\$6,248	\$634	\$70.32	\$1.78	13
Soybeans	MO	Bojay (Tula), HG	\$6,705	\$772	\$76.39	\$2.08	10
	NE	Guadalajara, JA	\$7,519	\$876	\$85.78	\$2.33	14
	IA	El Castillo, JA ⁵	\$7,770	\$753	\$87.08	\$2.37	11
	KS	Torreon, CU	\$6,042	\$601	\$67.87	\$1.85	15
Sorghum	OK	Cuautitlan, EM	\$5,350	\$575	\$60.54	\$1.54	18
	TX	Guadalajara, JA	\$6,289	\$493	\$69.29	\$1.76	11
	NE	Penjamo, GJ	\$6,905	\$810	\$78.83	\$2.00	8
	KS	Queretaro, QA	\$6,038	\$538	\$67.18	\$1.70	13
	NE	Salinas Victoria, NL	\$4,818	\$511	\$54.45	\$1.38	13
	NE	Torreon, CU	\$5,804	\$641	\$65.85	\$1.67	11

¹ Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle trains are available for qualified shipments of 75–110 cars that meet railroad efficiency requirements.

² Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V. railroad fuel surcharge policy as of 10/01/2009

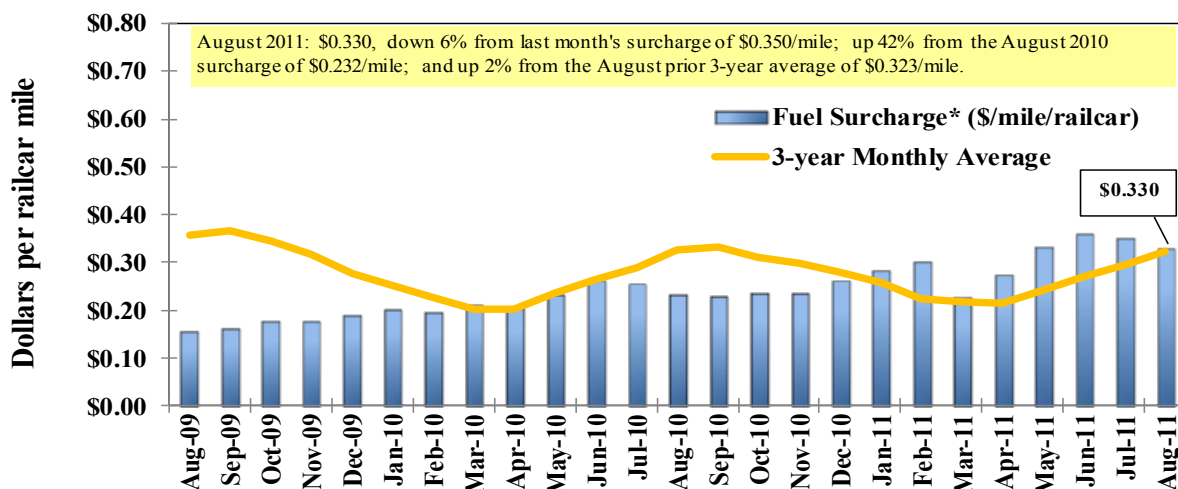
³ Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

⁴ Percentage change year over year calculated using tariff rate plus fuel surcharge

⁵ Beginning 12/6/10, El Castillo, JA replaced Penjamo, GJ as the destination

Sources: www.bnsf.com, www.uprr.com, www.kcsouthern.com

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹

¹ Weighted by each Class I railroad's proportion of grain traffic for the prior year.

* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

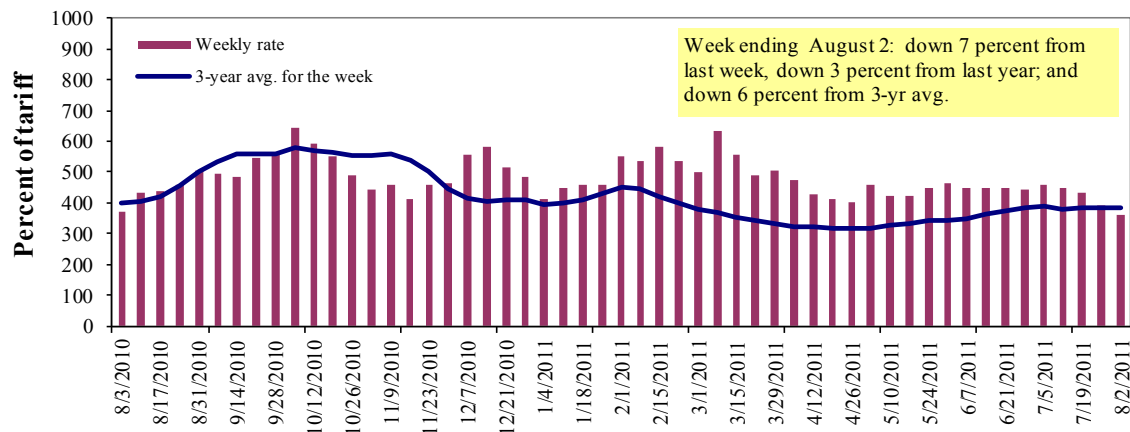
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal. starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

Sources: www.bnsf.com, www.cn.ca, www.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Freight Rate^{1,2}



¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid- Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo- Memphis
Rate¹	8/2/2011	445	372	362	258	357	357	250
	7/26/2011	465	397	390	282	375	375	270
\$/ton	8/2/2011	27.55	19.79	16.80	10.29	16.74	14.42	7.85
	7/26/2011	28.78	21.12	18.10	11.25	17.59	15.15	8.48
Current week % change from the same week:								
	Last year	-2	-4	-3	-13	-9	-9	-13
	3-year avg. ²	-3	-7	-6	-12	10	10	-7
Rate¹	September	445	427	420	358	422	422	328
	November	688	662	658	613	667	667	567

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds

Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:

(Index * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 9).

Figure 9

Benchmark tariff rates

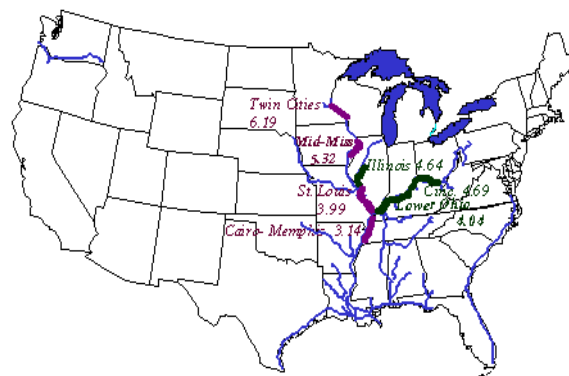
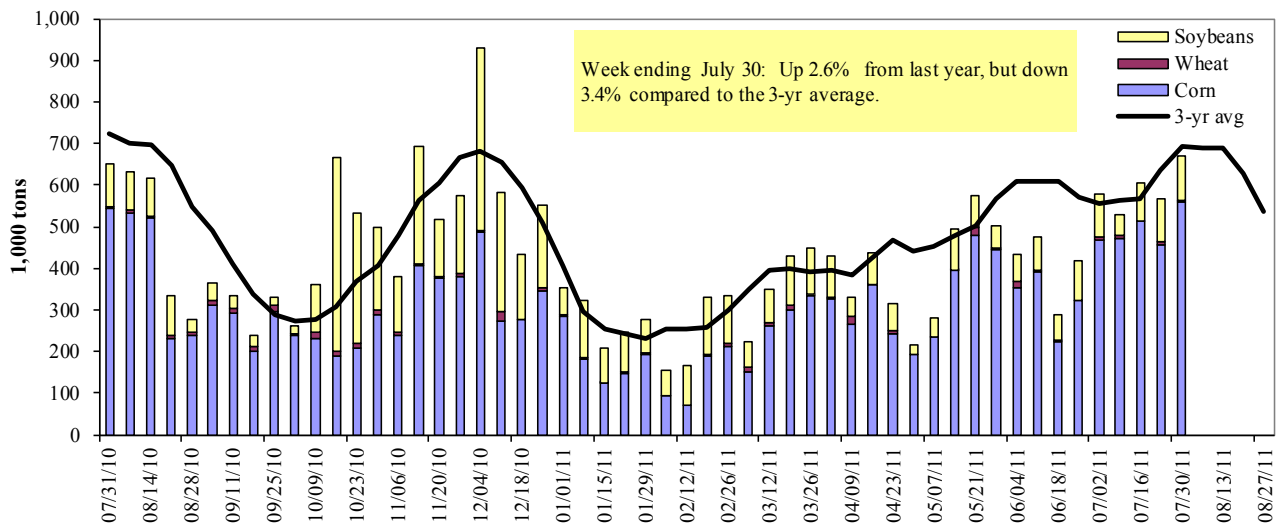


Figure 10

Barge Movements on the Mississippi River¹ (Locks 27 - Granite City, IL)

¹ The 3-year average is a 4-week moving average.

Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrirmi/omni/webtrpts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 7/30/2011	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	275	0	49	0	324
Winfield, MO (L25)	427	2	89	0	518
Alton, IL (L26)	585	3	108	0	696
Granite City, IL (L27)	560	3	106	0	669
Illinois River (L8)	155	0	17	0	172
Ohio River (L52)	17	32	12	17	78
Arkansas River (L1)	0	31	1	7	40
Weekly total - 2011	578	66	120	24	787
Weekly total - 2010	636	41	136	0	813
2011 YTD ¹	11,381	937	4,336	224	16,878
2010 YTD	14,410	730	4,723	266	20,129
2011 as % of 2010 YTD	79	128	92	84	84
Last 4 weeks as % of 2010 ²	82	161	99	348	90
Total 2010	22,768	1,220	10,373	481	34,841

¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

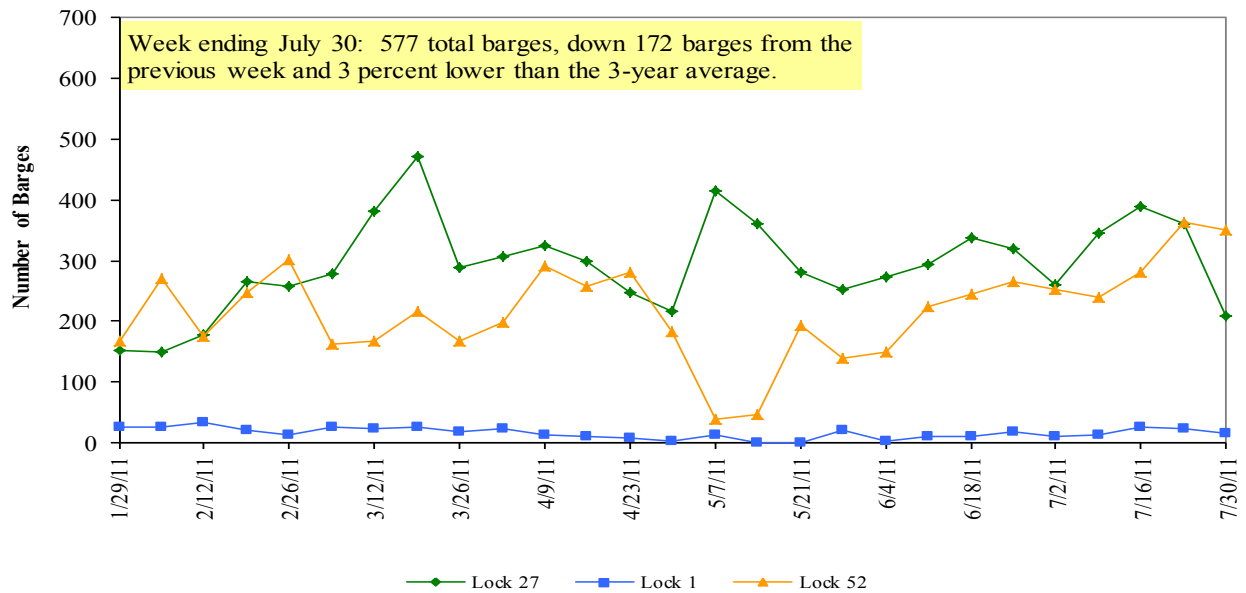
² As a percent of same period in 2010.

Note: Total may not add exactly, due to rounding

Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrirmi/omni/webtrpts/default.asp)

Figure 11

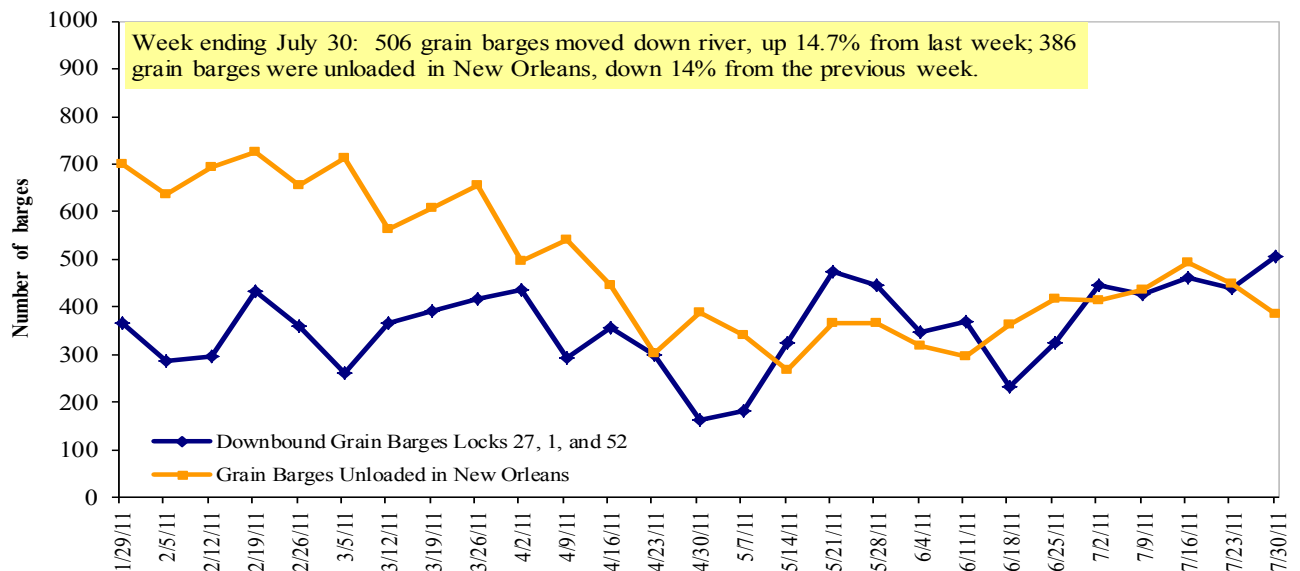
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



Source: U.S. Army Corps of Engineers

Figure 12

Grain Barges for Export in New Orleans Region



Source: U.S. Army Corps of Engineers and GIPSA

Truck Transportation

The **weekly diesel price** provides a proxy for trends in U.S. truck rates as diesel fuel is a significant expense for truck grain movements.

Table 11

Retail on-Highway Diesel Prices¹, Week Ending 8/1/2011 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.974	-0.014	1.040
	New England	4.045	0.008	1.036
	Central Atlantic	4.090	0.000	1.070
	Lower Atlantic	3.918	-0.022	1.028
II	Midwest ²	3.918	-0.007	1.018
III	Gulf Coast ³	3.904	-0.009	1.017
IV	Rocky Mountain	3.855	0.007	0.918
V	West Coast	4.000	-0.038	0.929
	California	4.136	-0.009	1.004
Total	U.S.	3.937	-0.012	1.009

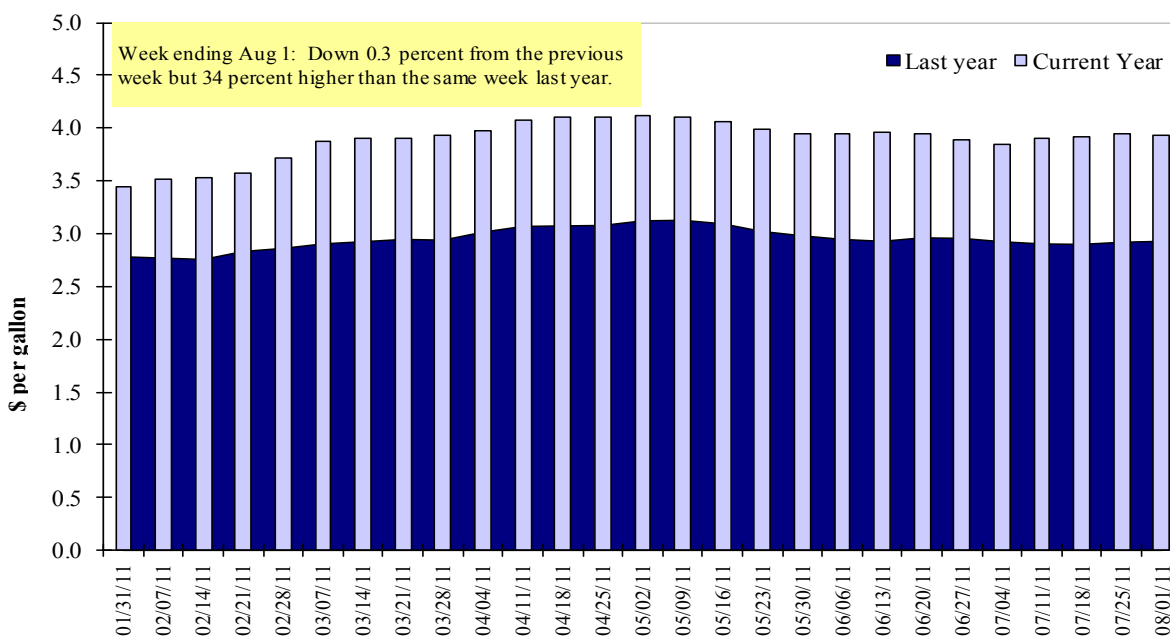
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

²Same as North Central ³Same as South Central

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

U.S. Export Balances and Cumulative Exports (1,000 metric tons)									
	Wheat						Corn	Soybeans	Total
Week ending	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances ¹									
7/21/2011	1,787	897	1,781	1,157	151	5,773	6,717	3,371	15,861
This week year ago	2,013	540	1,187	1,021	356	5,118	8,394	2,910	16,422
Cumulative exports-marketing year ²									
2010/11 YTD	1,946	521	1,039	672	111	4,289	40,348	38,695	83,332
2009/10 YTD	1,539	336	747	581	76	3,279	42,538	37,756	83,573
YTD 2010/11 as % of 2009/10	126	155	139	116	146	131	95	102	100
Last 4 wks as % of same period 2009/10	93	182	154	112	27	116	90	121	104
2009/10 Total	8,458	2,733	5,329	3,897	983	21,400	47,700	39,285	108,385
2008/09 Total	11,244	5,100	5,408	3,420	454	25,626	44,650	33,705	103,981

¹ Current unshipped export sales to date

² Shipped export sales to date; the new marketing year now in effect for wheat

Note: YTD = year-to-date. Marketing Year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 13

Top 5 Importers¹ of U.S. Corn

Week ending 07/21/11	Total Commitments ²			% change current MY from last MY	Exports ³ 2009/10
	2011/12	2010/11	2009/10		
	Next MY	Current MY	Last MY		
	- 1,000 mt -				- 1,000 mt -
Japan	1,070	14,337	15,354	(7)	14,343
Mexico	1,857	6,921	8,109	(15)	7,999
Korea	336	6,003	7,783	(23)	7,562
Taiwan	11	2,682	3,087	(13)	2,949
Egypt	40	3,130	2,972	5	2,935
Top 5 importers	3,314	33,072	37,305	(11)	35,788
Total US corn export sales	7,527	47,064	50,932	(8)	50,460
% of Projected	16%	99%	101%		
Change from Last Week	153	331	432		
Top 5 importers' share of U.S. corn export sales	44%	70%	73%		
USDA forecast, July 2011	48,260	47,630	50,460	(6)	
Corn Use for Ethanol USDA forecast, Ethanol July 2011	130,810	128,270	116,027	11	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.

³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week Ending 07/21/2011	Total Commitments ²			% change current MY from last MY	Exports ³ 2009/10
	2011/12	2010/11	2009/10		
	Next MY	Current MY	Last MY		
	- 1,000 mt -				- 1,000 mt -
China	7,052	26,014	22,972	13	22,454
Mexico	141	3,129	3,213	(3)	3,276
Japan	123	2,192	2,426	(10)	2,347
EU-25	60	2,599	2,698	(4)	2,647
Taiwan	0	1,399	1,565	(11)	1,556
Top 5 importers	7,376	35,332	32,873	7	32,280
Total US soybean export sales	8,822	42,067	40,666	3	40,850
% of Projected	22%	102%	100%		
Change from last week	362	11	339		
Top 5 importers' share of U.S. soybean export sales	84%	84%	81%		
USDA forecast, July 2011	40,690	41,370	40,850	1	
Soybean Use for Biodiesel					
USDA forecast, July 2011	8,393	5,515	4,031	37	

(n) indicates negative number.

¹ Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.² Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.³ FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 07/21/2011	Total Commitments ²		% change current MY from last MY	Exports ³ 2010/11
	2011/12	2010/11		
	Current MY	Last MY		
	- 1,000 mt -			- 1,000 mt -
Nigeria	1,106	1,180	(6)	3,233
Japan	1,347	936	44	3,148
Mexico	1,149	982	17	2,601
Philippines	1,065	948	12	1,518
Korea	386	489	(21)	1,111
Peru	371	405	(8)	923
Taiwan	243	184	33	913
Colombia	267	298	(10)	783
Indonesia	316	139	128	781
Yemen	170	0		659
Top 10 importers	6,421	5,560	15	15,670
Total US wheat export sales	10,062	8,397	20	33,439
% of Projected	32%	24%		
Change from last week	474	920		
Top 10 importers' share of U.S. wheat export sales	64%	66%		
USDA forecast, July 2011	31,300	35,000	(11)	

(n) indicates negative number.

¹ Modified from the FAS 2010/11 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.² Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.³ FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 16

Grain Inspections for Export by U.S. Port Region (1,000 metric tons)

Grain Inspections for Export by U.S. Port Region (1,000 metric tons)									
Port regions	Week ending 07/28/11	Previous Week ¹	Current Week as % of Previous	2011 YTD ¹	2010 YTD ¹	2011 YTD as % of 2010 YTD	Last 4-weeks as % of		Total ¹ 2010
							2010	3-yr. avg.	
Pacific Northwest									
Wheat	211	314	67	8,464	6,162	137	129	176	11,062
Corn	239	236	101	5,973	6,106	98	93	96	9,950
Soybeans	66	0	n/a	3,401	4,711	72	41	32	10,191
Total	516	551	94	17,838	16,979	105	97	104	31,203
Mississippi Gulf									
Wheat	50	150	33	3,224	2,281	141	123	82	4,199
Corn	504	600	84	15,310	17,303	88	85	86	29,794
Soybeans	51	117	44	10,000	9,285	108	64	69	22,519
Total	605	867	70	28,535	28,869	99	87	83	56,512
Texas Gulf									
Wheat	171	128	134	7,975	4,623	173	75	74	9,339
Corn	18	2	803	800	1,012	79	60	35	1,859
Soybeans	0	0	n/a	763	667	114	0	0	1,916
Total	190	130	145	9,539	6,302	151	73	69	13,115
Great Lakes									
Wheat	1	0	n/a	639	328	195	44	102	1,897
Corn	0	0	n/a	45	53	85	0	54	119
Soybeans	0	0	n/a	22	0	n/a	0	n/a	655
Total	1	0	n/a	706	381	185	52	81	2,672
Atlantic									
Wheat	3	2	133	577	194	298	1,327	24	343
Corn	0	4	0	183	240	76	27	42	469
Soybeans	12	2	615	458	704	65	318	419	1,417
Total	15	8	185	1,218	1,137	107	99	56	2,229
U.S. total from ports ²									
Wheat	437	595	73	20,880	13,588	154	101	101	26,839
Corn	762	842	90	22,311	24,713	90	87	87	42,192
Soybeans	129	119	109	14,645	15,367	95	57	53	36,699
Total	1,328	1,556	85	57,836	53,668	108	88	87	105,730

¹ Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

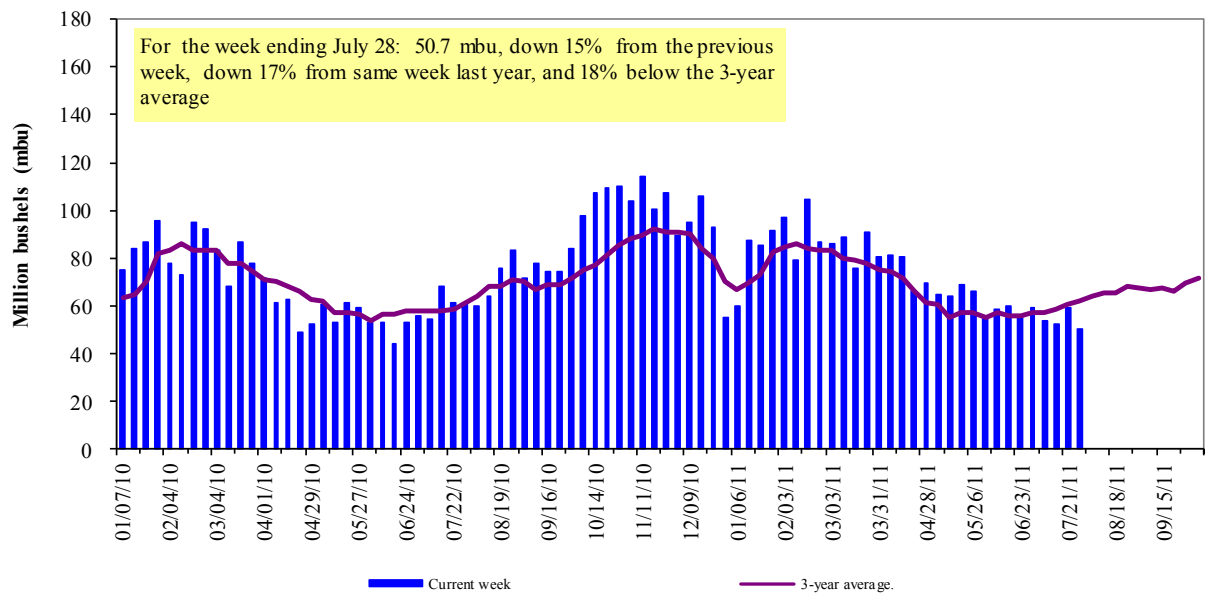
² Total includes only port regions shown above

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

The United States exports approximately one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 61 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2010.

Figure 14

U.S. grain inspected for export (wheat, corn, and soybeans)

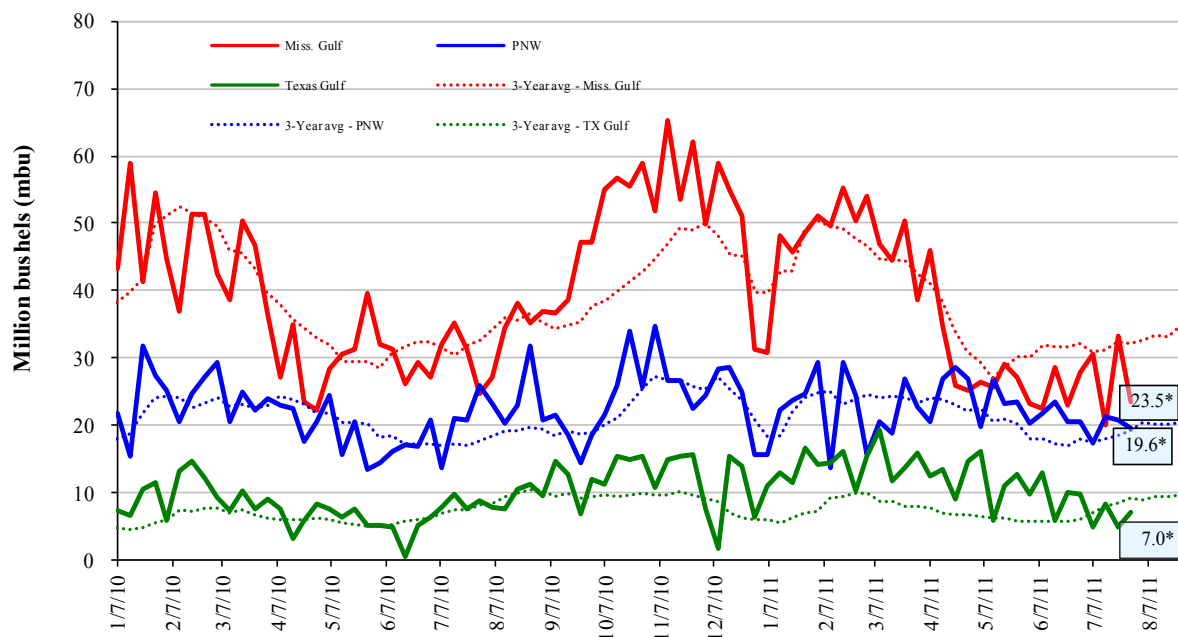


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Note: 3-year average consists of 4-week running average

Figure 15

U.S. Grain Inspections: U.S. Gulf and PNW¹ (wheat, corn, and soybeans)



Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); *mbu, this week.

July 28 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 30	up 46	down 20	down 6
Last year (same week)	down 6	down 21	down 9	down 25
3-yr avg. (4-wk mov. avg.)	down 27	down 23	down 26	down 13.4

Ocean Transportation

Table 17

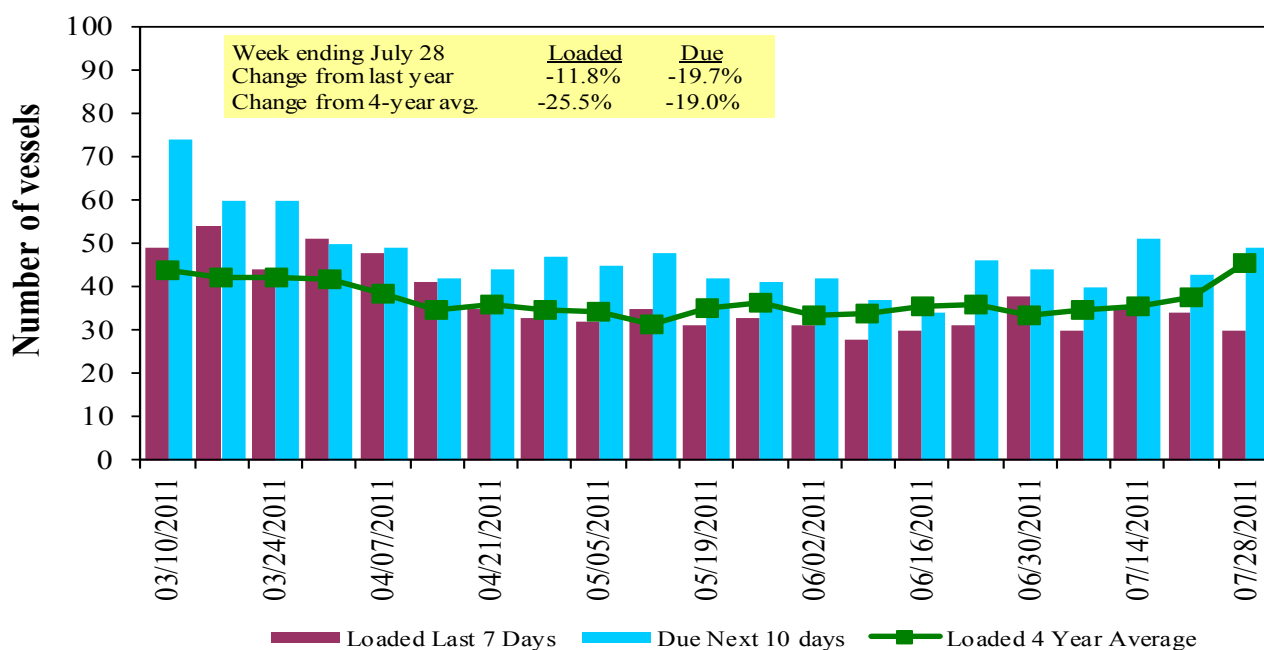
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
7/28/2011	17	30	49	10	5
7/21/2011	17	34	43	9	8
2010 range	(15..69)	(30..57)	(33..84)	(4..24)	(2..20)
2010 avg.	41	42	58	12	11

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

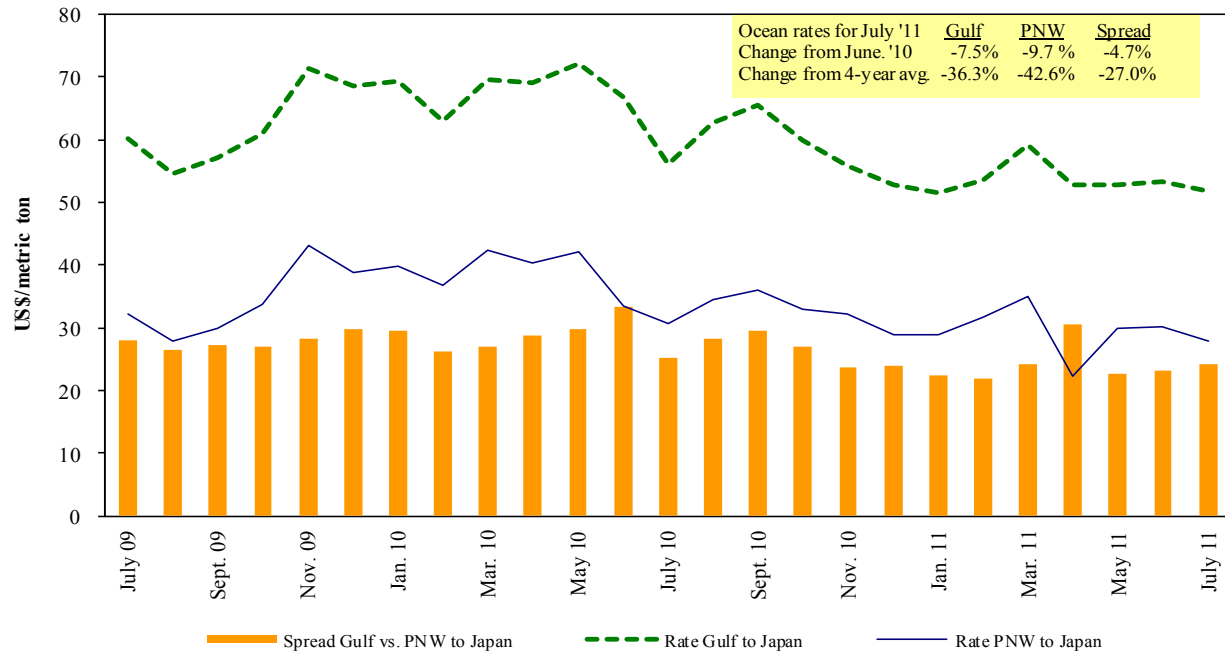
U.S. Gulf¹ Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA

¹U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17

Grain Vessel Rates, U.S. to Japan

Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 07/30/2011

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	May 1/10	55,000	56.00
U.S. Gulf	China	Heavy Grain	Aug 17/Sep 30	60,000	49.00
U.S. Gulf	China	Heavy Grain	Dec 1/30	55,000	51.00
U.S. Gulf	Egypt	Grain	May 1/10	60,000	28.50
U.S. Gulf	Japan	Heavy Grain	June 1/12	54,000	52.50
U.S. Gulf	Isreal	Wheat	May 20/30	50,000	36.00
U.S. Gulf	Nigeria	Wheat	Apr 17/23	25,000	46.50
U.S. Gulf	Djibouti ¹	Wheat	Mar 31/Apr 9	17,260	129.95
Brazil	China	Heavy Grain	May 18/27	60,000	49.50
Brazil	China	Heavy Grain	April 5/15	60,000	51.00
Brazil	Turkey	Heavy Grain	May 20/30	50,000	32.00
River Plate	Algeria	Corn	July 15/25	25,000	43.50
River Plate	Algeria	Corn	July 1/10	25,000	42.90
River Plate	Algeria	Corn	June 15/25	25,000	42.75
River Plate	Morocco	Heavy Grain	Apr 25/28	2,500	44.50
River Plate	Spain	Maize	May 16/18	25,000	44.00
River Plate	Spain	Corn	Apr 24/25	2,500	46.00
South Africa	Taiwan	Corn	Aug 5/15	55,000	31.00
Ukraine	Spain Med	Corn	May 20/24	25,000	18.00

Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

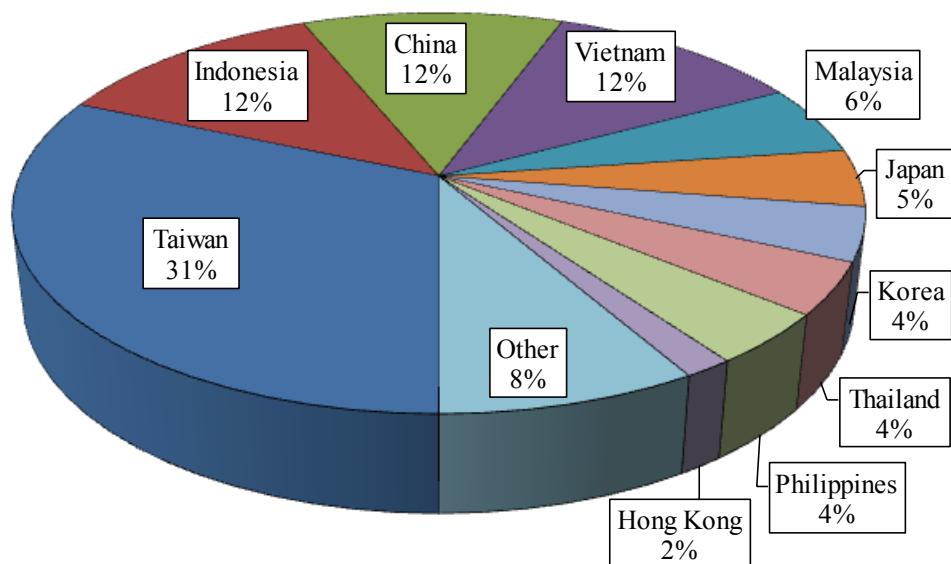
¹75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

Source: Maritime Research Inc. (www.maritime-research.com)

In 2010, containers were used to transport 5 percent of total U.S. waterborne grain exports, and 7 percent of U.S. grain exports to Asia. Asia is the top destination for U.S. containerized grain exports—94 percent in 2010.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, April 2011

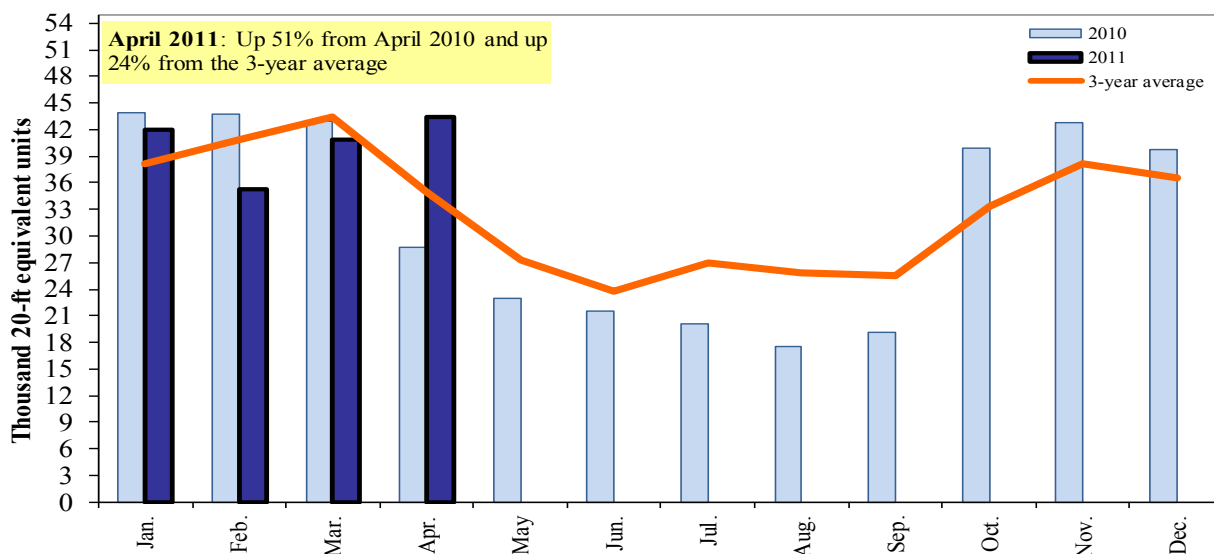


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements (recently added codes are highlighted in bold type): 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, **230330**, and **120810**.

Figure 19

Monthly Shipments of Containerized Grain to Asia



Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements (recently added codes are highlighted in bold type): 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, **230330**, and **120810**.

Contacts and Links

Coordinators

Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Pierre Bahizi	pierre.bahizi@ams.usda.gov	(202) 690 - 0992

Weekly Highlight Editors

Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 690 - 3244
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374

Grain Transportation Indicators

Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
-------------------------------	--	------------------

Rail Transportation

Marvin Prater	marvin.prater@ams.usda.gov	(202) 720 - 0299
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701
Christie McKinney	christie.mckinney@ams.usda.gov	

Barge Transportation

Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374

Truck Transportation

April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
--------------	--	------------------

Grain Exports

Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 690 - 3244
Christie McKinney	christie.mckinney@ams.usda.gov	

Ocean Transportation

Surajudeen (Deen) Olowolayemo (Freight rates and vessels)	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor (Container movements)	april.taylor@ams.usda.gov	(202) 295 - 7374

Subscription Information: Send relevant information to GTRContactUs@ams.usda.gov for an electronic copy (*printed copies are also available upon request*).

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status. (Not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact the USDA's TARGET Center at (202)720-2600 (Voice and TDD).

To file a complaint of discrimination, write USDA, Director of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410, or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.